Revenue sharing by RailTel Corporation

1199. SHRIMATI KAMLA MANHAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether the RailTel Corporation has decided to offer telecom bandwidth to optical fibre cable along its 62,000 km. Track network;

(b) whether RailTel has also decided to follow revenue sharing model with Cable TV operators; and

(c) if so, the complete details thereof and to what extend the RailTel will be benefited from these projects?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BASANGOUDA R. PATIL): (a) Yes, Sir. RailTel Corporation of India Limited (RailTel) is offering bandwidth on sale/lease to Telecom service providers, wherever Optical Fibre Cable (OFC) based communication network has been installed along the Railway track.

(b) Yes, Sir. RailTel has also adopted revenue sharing model in addition to leasing of dark fibres/bandwidth to Cable TV operators. Decision to adopt one or other scheme is on case to case and demand basis.

(c) RailTel has leased dark fibre in Mumbai area to one Cable TV operator on revenue sharing basis. In this case, the revenue stream has two components — A fixed component on the basis of length of the fibre leased and a variable component on the basis of number of cable TV subscribers served by the Operator in that area. In Kolkata area, however, the revenue stream has a fixed component only, depending upon the length of the fibre leased.

RailTel may also sell bandwidth to Cable operators to extend signal from one centre to other, if such a demand arises in future.

Policy on the revenue sharing model will be firmed up after gaining of some experience in this business.

Extending different kind of services to cable TV operators is a new source of income to RailTel and this definitely will benefit RailTel in improving its financial prospects.